



**COUNTY OF LOS ANGELES  
TREASURER AND TAX COLLECTOR**  
KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 437  
LOS ANGELES, CA 90012



**MARK J. SALADINO**  
TREASURER AND TAX COLLECTOR

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

June 21, 2011

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*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL TO ACCEPT PARTIAL PAYMENTS FOR UNSECURED PROPERTY TAXES (3-VOTES)**

**SUBJECT**

Authorize the Tax Collector to accept partial payments for unsecured property taxes, in accordance with Sections 2927.6 and 4143 of the California Revenue and Taxation Code, and amend the County Code to allow the Tax Collector to establish payment plans for the payment of delinquent unsecured property taxes.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve the acceptance of partial payments for unsecured property taxes by the Tax Collector pursuant to Sections 2927.6 and 4143 of the California Revenue and Taxation Code.
2. Approve and adopt the attached ordinance (Exhibit 1) amending Section 2.52.040 of the County Ordinance to allow the Tax Collector to establish payment plans as necessary for the collection of delinquent unsecured taxes.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Sections 2927.6 and 4143 of the California Revenue and Taxation Code allow County Tax Collectors to accept partial payments for taxes, with the approval of the County Board of Supervisors. On August 5, 1997, your Board authorized the Tax Collector to accept partial payments on secured property taxes. However, that authorization did not extend to unsecured taxes, as the

unsecured tax system at the time did not have the functionality to accept partial payments. As an efficiency and customer service initiative, the Tax Collector has modified the unsecured tax system to accept partial payments. Accordingly, authorization from your Board is required to allow the Tax Collector to accept partial payments on unsecured taxes. The acceptance of partial payments allows financially strapped taxpayers to pay a portion of their unsecured taxes and reduces the impact of delinquent penalties on the taxpayer. As well, the acceptance of partial payments positively impacts cash flow and allows the Auditor Controller to apportion these partial payments to the County's general fund and to cities and special districts as the partial payment is collected, rather than waiting for payment of the entire amount owed.

Under State law, delinquent secured property tax debtors are currently able to establish a payment plan with the Tax Collector. However, State law is silent as to unsecured taxes. As an additional collection tool, the Tax Collector would like to offer payment plans to delinquent unsecured property tax debtors, but is restricted from doing so by Section 2.52.040 of the County Code. Accordingly, the Tax Collector is also requesting a revision to this County Code Section to allow the establishment of payment plans for the payment of delinquent unsecured taxes.

### **Implementation of Strategic Plan Goals**

This action is consistent with the Countywide Strategic Plan Goal of maximizing the effectiveness of County processes, structure and operations to support the timely delivery of customer oriented and efficient public service.

### **FISCAL IMPACT/FINANCING**

The acceptance of partial payments positively impacts cash flow and allows the Auditor-Controller to apportion partial payments to the County's general fund and to cities and special districts as the partial payment is collected, rather than waiting for payment of the entire amount owed.

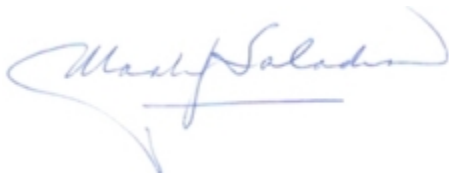
### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Sections 2927.6 and 4143 of the California Revenue and Taxation Code provide for the Tax Collector, with the approval of the Board of Supervisors, to accept partial payments for taxes from taxpayers. State law further directs that partial payments are to be applied first to all penalties, interest and costs with the balance being applied to the taxes due. County Counsel has reviewed and approved Exhibit 1.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

No Impact

Respectfully submitted,

A handwritten signature in blue ink, reading "Mark J. Saladino", with a horizontal line underneath the name.

MARK J. SALADINO  
Treasurer and Tax Collector

MJS:DD:eh

Enclosures

c: Chief Executive Officer  
Executive Officer, Board of Supervisors  
Auditor-Controller  
County Counsel